The Business

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EU approves $6bn Italy bailout for Monte dei Paschi

■ *A Monte Dei Paschi di Siena bank branch in Milan, Italy*

BRUSSELS: The European Union has approved a state bailout of Italy's fourth-largest lender, Monte dei Paschi di Siena, taking the total amount of Italian taxpayer funds deployed to rescue banks over the past week to more than 20 billion euros ($23bn).

Outside Greece, Europe has not seen such big state bailouts since the aftermath of the global financial crisis, raising political concerns about the continued use of public funds to mop up losses at badly run banks despite the introduction of new EU rules designed to prevent this.

In a statement yesterday, EU state aid regulators said Rome could inject 5.4bn euros ($6bn) into Monte dei Paschi after the bank agreed to a drastic overhaul, including the transfer of bad loans to a special vehicle and a salary cap for senior managers.

The bank's overall capital shortfall is 8.1bn euros, an Italian Treasury official said, down from the 8.8bn euros previously calculated by the European Central Bank.

Monte dei Paschi, the world's oldest bank, turned to the state for a bailout after failing to raise 5bn euros on the market to shore up its capital.

A week ago Italy pledged up to 17bn euros, mostly in guarantees, to prevent senior bondholders, depositors and staff from being hit by the winding up of two regional banks, Popolare di Vicenza and Veneto Banca. That deal also involved Italy's biggest retail bank, Intesa Sanpaolo, acquiring the two banks' best assets for a token euro.

The Italian government believes a profit can still be made from the bailouts. "I am confident state money will be recouped, perhaps at a premium," finance minister Pier Carlo Padoan said yesterday, referring to Monte dei Paschi.

As part of the overhaul Monte Paschi will transfer 26.1bn euros to a privately funded special vehicle on market terms, with the operation partially funded by Italian bank rescue fund Atlante II. It will also change its business model to focus on retail customers, and small- and medium-sized companies.

BUSINESS SMILE!

"There is no I in TEAM. But there is an M and an E and that spells ME!"

Snapdeal rejects $800m buyout offer from Flipkart

MUMBAI: **The board of Indian online marketplace Snapdeal has rejected a bid worth $700-$800 million from Flipkart after due diligence by its bigger rival, *Mint* newspaper reported on Tuesday.**

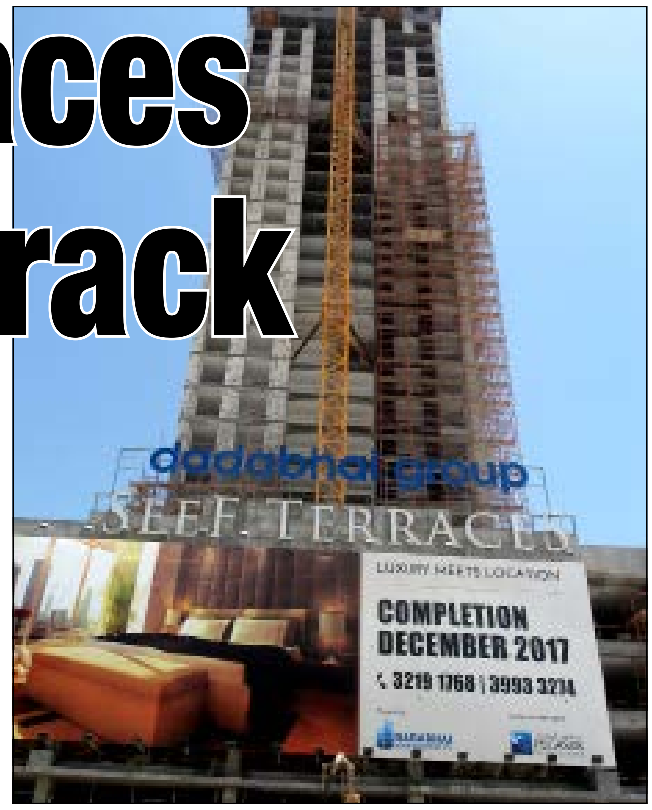
Japan's SoftBank Group Corporation, Snapdeal's biggest investor, is looking to sell the firm to Flipkart to secure a stake in India's largest e-commerce player.

The offer by Flipkart last week is only for the Snapdeal online marketplace and doesn't include the company's logistics arm Vulcan Express or its digital payments unit FreeCharge.

Snapdeal has been expected to fetch at least $1 billion from its sale to Flipkart. Negotiations between the two companies will continue, a person familiar with the matter told *Reuters*.

Flipkart did not give any reason for "knocking down" Snapdeal's valuation, the source added. As part of the proposed transaction, SoftBank would invest about $1bn in Flipkart through a direct cash infusion and by buying equity stakes in its investors such as Tiger Global.

Seef Terraces work on track



■ *Work on project underway*

MANAMA: Dadabhai Properties has announced that Seef Terraces, a family-focussed residential development, is progressing at a record pace with completion set for end of the year.

■ *Mr Dadabhai*

Located in the heart of the Seef District, the 29-storey tower features 173 apartments of varying sizes, available on a freehold basis.

The project is nearly 75 per cent complete as of end-June, the company said.

Work started in May last year and is expected to finish by December this year, well ahead of schedule.

"The structure is fully ready with 80 per cent of internal works done already," said Dadabhai Noon Real Estate managing director Shabeer Dadabhai.

"Tiling as well as mechanical, electrical, and plumbing have been completed to the 23rd level and internal painting up to the 20th floor is done.

"Work on facilities areas on the podium and rooftop level is ongoing," he added.

Mr Dadabhai said with large private terraces, the apartments offer a high quality lifestyle in a neighbourhood that blends residential, commercial and leisure space.

Facilities include tennis and squash courts, BBQ area, jogging track, cinema, indoor basketball court, outdoor landscaped play area for children, gymnasia, steam, sauna and Jacuzzi for women and men, an infinity pool with lounge area and outdoor Jacuzzi on the rooftop level overlooking the sea, covered car park bays, 24x7 security and CCTV among other things.

The project's exclusive sales agent, Pegasus Real Estate's managing director Aziz Mithaiwala said 70 per cent of apartments have already been bought by Bahrain residents and investors representing 14 nationalities.

He said the project has been well-received due to its location, award-winning apartment designs and the developer's reputation.

"The astounding success of Juffair Heights, where apartment registrations have already commenced and title deeds are being issued to owners, has also helped drive buyer interest in Seef Terraces," he added.

Apartments in Seef Terraces start at BD60,500 and go up to BD160,000 for large 3 bedroom units on the top floor. Both unfurnished and fully-furnished options are available.

The developer announced that under a partnership with Khaleeji Commercial Bank, mortgage loans of up to 80 per cent of the apartment cost are available for buyers.

"Long term residents of Bahrain are seeing the benefit of buying into such a lifestyle-oriented project with a mortgage facility, as the rent they would pay is about the same as the mortgage payment. The loan facilitation is through our office and direct flexible payment plans are also available for buyers," added Mr Mithaiwala.

Pegasus said it is currently offering free maintenance for two years and fully-equipped kitchens on purchase of apartments in Seef Terraces.

Gulf Air in push to boost cybersecurity

MANAMA: Gulf Air yesterday revealed a cybersecurity step-change as part of an ongoing campaign to safeguard its operations.

The national carrier has reinforced its network perimeter to pre-empt and combat Distributed Denial-of-Service (DDoS) attacks, improve data centre and application-level security and further enhance data and access protection measures.

A key component of Gulf Air's DDoS strategy is the deployment of the F5 DDoS Hybrid Defender – an industry-leading, multi-layered defence mechanism against both blended network attacks and sophisticated application attacks.

The DDoS Hybrid Defender's features include full Secure Sockets Layer (SSL) decryption, anti-bot capabilities, and advanced detection methods. This ensures high line rate capabilities without impacting legitimate traffic.

Crucially, the solution is compatible with Gulf Air's current perimeter security controls to minimise maintenance efforts.

"Combating DDoS attacks requires a purpose-built system-level architecture that detects and mitigates increasingly sophisticated, complex and deceptive attacks," said Gulf Air director of information technology Dr Jassim Haji.

"The solution delivers instantaneous controls and security measures against complex threats, exploits, saturation attacks, with an in-depth security mechanism that inspects application-layer events. It offers protection at all layers, protecting protocols – including those employing SSL and TLS encryption – as well as stopping DDoS bursts, randomised HTTP floods, cache bypass, and other attacks that can disrupt Gulf Air's critical applications."

As well as improving overall operational efficiency and slashing total cost of ownership (TCO), F5's solutions will scale to handle Gulf Air's future growth trajectory, enabling the airline to tap into the benefits of emerging technologies such as Software-Defined Networking (SDN) and Software-Defined Storage (SDS).

"We are now proud to announce that we can protect the Gulf Air network from possible threats that are initiated from legitimate secure traffic based on behaviour, rather than relying on traditional security measures," said F5 Networks Gulf, Levant & North Africa director Taj El Khayat.

Gulf Air currently runs over 200 applications online supported by F5 technology, including email services, reservation systems and enterprise resource planning (ERP) and Electronic Flight Bag, eEnablement setup for newly introduced aircrafts.

■ *Mr El Khayat, left, with Dr Haji*